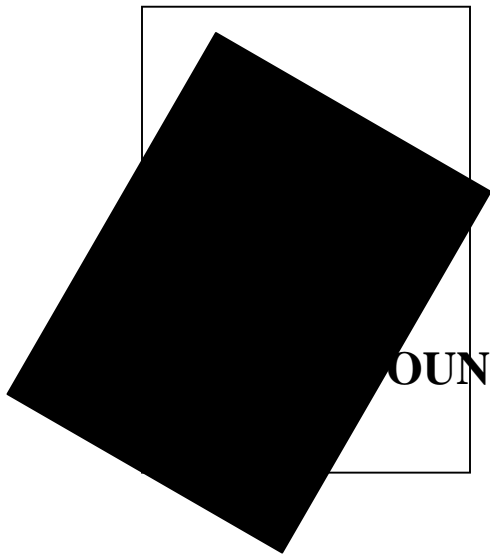


**State of Iowa  
DEPARTMENT OF EDUCATION  
Bureau of Community Colleges  
Grimes State Office Building  
Des Moines, Iowa 50319-0146**



**IOWA COMMUNITY COLLEGE  
ACCOUNTING MANUAL**



**Updated May 2004**

State of Iowa  
**DEPARTMENT OF EDUCATION**  
Grimes State Office Building  
Des Moines, Iowa 50319-0146

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## **CHAPTER I**

### **THE ACCOUNTING SYSTEM**

Each Iowa Community College is the recipient of monies from numerous sources. These monies will be expended for general community college operations, appropriated and expended for capital community college facilities, used to establish and maintain endowments, and for various other purposes, as approved by the local administration and Board of Trustees.

In view of the objectives of the accounting system, it is necessary to segregate the assets of the community college according to its source and intended use. For this reason, the accounting system is divided into separate entities called funds. These funds are the primary recording and reporting categories; therefore, every financial transaction of the community college pertains to one of the funds and should be classified accordingly.

In addition to accounting by fund, the accounting system should provide for accounting by organizational units and the organizational structure of each community college based on the activities performed.

This accounting system utilizes a “functional” chart of accounts and a “general ledger” chart of accounts. The functional chart reflects the organizational units, or cost centers of the Iowa Community College. The general ledger chart sets out the individual asset, liability, fund balance (equity), revenue, and expenditure accounts. Revenue accounts are identified by source and expenditure accounts are identified by type and object.

In addition, the procedural philosophy of this accounting system is based on the following precepts:

#### **A. Definition of Accounting**

The purpose of accounting is to record and classify, summarize, and report the financial transactions of an organization.

#### **B. Source Documents**

Transactions originate from a variety of sources. Documents that provide evidence of transaction are called source documents. These may be a purchase order, a receiving report, an invoice, a personnel appointment form or letter, a payroll register, a cash receipt form, a check stub, a voucher form, or any other document that gives evidence of a financial transaction.

### C. Classify

Transactions are classified by type and by the organizational unit of the community college benefiting from them. This is achieved by utilizing charts of accounts.

There are two different charts of accounts, as follows:

1. A functional chart of accounts lists the various organizational units of a community college with a numeric code to identify each unit.
2. A general ledger chart of accounts lists the various assets, liability, equity, revenue, and expenditure accounts with a numeric code to identify each account.

To classify a transaction, it should be assigned a code from the functional chart and a code from the general ledger chart.

### D. Record

After being classified, each transaction is recorded in an orderly manner into the accounting system. The accounting system provides a historical record of all the transactions separated by their classification.

### E. Summarize

The masses of data, classified and recorded as mentioned above, become more useful when summarized. It is not a single transaction, but the sum of all the transactions of a day, a week, a month, or a year that has the greatest significance. Therefore, totals are obtained periodically for each classification of transactions recorded in the accounting system. Some summaries should be made frequently; others only occasionally. For example, it may be desirable to know daily the summary of transactions affecting cash, while it may be useful to know only monthly the summary of transactions affecting salaries.

There are two basic kinds of ledgers—general and subsidiary. The general ledger reflects the periodic summaries and the balance for each asset, liability, equity, revenue, and expenditure control account. Some general ledger control accounts contain information on related, but different transactions that need to be maintained separately, as well as combined. Therefore, subsidiary ledger accounts are maintained for the summary of these different, but related, transactions. An example is subsidiary ledger which accounts for notes receivable from individual students, the total of which should equal the general ledger account, Notes Receivable Student Loans.

## F. Report

The accounting process serves little useful purpose unless timely and meaningful reports are submitted to individuals needing to know the financial position of a community college, the income it has received during the accounting period, and the obligations and expenditures it has incurred during that same time period. Reports, then, should be designed to provide useful information to those persons and organizations, which are to receive them.

*Account titles and descriptions may be added to this manual in order to meet a local community college's needs by using the unassigned account numbers in the appropriate object account code group classification. However, all account numbers should be combined into assigned numbers for state reporting purposes. **Reporting templates obtained from the Department must be used when reporting year-end financial information to ensure consistency among the community colleges.***

## CHAPTER II BASIC ENCODING PLAN

The account codes have been designed to enable each community college to accumulate financial data according to several different classifications, i.e., by funds, function, organizational units, program, section, source of income, or type of expenditure. In addition, the logic of the coding system makes it compatible with accounting systems.

- A. The basic plan for encoding consists of 14 digits.  
The 14 digits are divided into four groups.

	Digit Position													
1. Organizational Unit	1	2	3	4	5	6	7	8	9	10	11	12	13	14
a. Fund	X													
b. Function		X												
c. Specific Unit			X	X	X	X								
2. Site*							X	X						
3. Optional*									X	X	X			
4. General Classification														
a. General Ledger Classification												X		
b. Object Code													X	X

\* Optional use by the community college.

The above encoding system, if used in its entirety, should provide for all needed detail. The community college must use digits 1 through 6, and 12 through 14, for classifying and recording all transactions. The use of digits 7 through 11 will depend on the degree of detail each community college needs for site codes (digits 7 and 8), and the internal reporting needs of each community college (digits 9 through 11).

Community colleges utilizing data processing equipment can, however, readily provide for “variable” or “sub-account” codes and should do so. This will provide the flexibility to accumulate additional financial data on any segment of the community college whenever it is deemed desirable.

Two examples given below illustrate the maximum detail that could be used for encoding procedures:

- A. Encoding of salary expenditures for an Arts and Sciences education course —“Zoology General”— at a different site than the main campus.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. General Fund	1													
a. Function		1												
b. Specific Unit			0	4	0	7								
2. Site							1	3						
3. Optional									0	0	0			
4. General														
Classification														
a. General Ledger												5		
Classification														
b. Object Code													2	0

Final Encoding    1 - 1 - 12 - 0407 - 13 - 00 - 000 - 5 - 20

It should be pointed out there are no immediate plans by the Iowa Department of Education to request information down to the discipline and course level. Specific units for Arts and Sciences programs required by the Department of Education would be coded to discipline level (0100, 0200, 0300, etc.). The community college has the option to go into more detail.

A community college wanting more detailed information would utilize the optional digits, more specifically encoding digits 9, 10, and 11.

- B. Encoding of tuition for a part-time JTPA student at the main campus in a preparatory vocational program identified as “Landscaping” (CIP Number 01.06050100).

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. General Fund	1													
a. Function		2												
b. Specific Unit			3	0	3	4								
2. Site							0	1						
3. Optional									0	0	0			
4. General														
Classification														
a. General Ledger												4		
Classification														
b. Object Code													1	1

Final Encoding 1 - 2 - 17 - 3034 - 01 - 13 - 000 - 4 - 11

The preceding illustration demonstrates the maximum detail for encoding tuition. At this time, tuition would be identified to the function level. The present accounting manual includes 18 digits and that the mandatory usage of the 18 would be the following 11.

Fund	1 Digit
Function	1 Digit
Specific Unit	4 Digits
Site	2 Digits
Object Code	3 Digits

The mandatory 11 would not have to appear in any specific sequence at the community college level. A community college would also have the option of expanding beyond the 18 digits for local use.

### CHAPTER III ORGANIZATIONAL UNIT

#### A. Explanation

Fund	Function	Specific Unit	Site	Optional	Object
(X)	(X)	(XXXX)	( _ _ )	( _ _ _ )	( _ _ _ )

Next to fund, the most important heading is a classification by organizational unit or activity. It is by organizational unit or activity that appropriations are usually made. The accounting system should reveal accurately the expenditures for each organizational unit or activity. If expenditures for a given unit or activity are made from one fund, the coding provides a means of assembling these figures.

To effectively accomplish its goal, a community college should be organized in such a manner that each area of responsibility is clearly identified--with managerial responsibility--and are sometimes referred to as divisions, departments, sections, or offices.

In addition to these organizational units, there are other activities of a community college that should be accounted for as separate units, such as individual loan funds, individual student organizations, and individual construction projects. In this manual, these activities will be referred to as organizational units.

#### B. Organizational Unit Codes

Fund Number	Function Number	Specific Unit
Educational and General Support		
1	--	---- Unrestricted General Fund
2	--	---- Restricted General Fund
1 or 2	0	0000 General Ledger Control
1 or 2	1	0100 Arts and Sciences Education
1 or 2	2	3000 Vocational (Career) Technical
1 or 2	3	6000 General Adult Education
1 or 2	4	7000 Coop Programs or Services
1 or 2	5	8000 General Administration
1 or 2	6	8200 Student Services
1 or 2	7	8300 Learning Resources
1 or 2	8	8400 Physical Plant
1 or 2	9	8500 General Community College

Fund Number	Function Number	Specific Unit
-------------	-----------------	---------------

Auxiliary Funds		
3	0	0000 General Ledger Control

Agency Fund		
4	0	0000 General Ledger Control

Scholarship Fund		
5	0	0000 General Ledger Control

Loan Fund		
6	0	0000 General Ledger Control

Plant Fund		
7	0	0000 General Ledger Control

Unexpended Plant Sub-Fund		
7	0	0000 General Ledger Control

Debt Service Sub-Fund		
7	0	0000 General Ledger Control

Investment in Plant Sub-Fund		
7	0	0000 General Ledger Control

Voted Tax Sub-Fund		
7	0	0000 General Ledger Control

Endowment Fund		
8	0	0000 General Ledger Control

## CHAPTER IV FUNDS

### A. Explanation

Fund	Function	Specific Unit	Site	Optional	Object
(X)	( )	( _ _ _ )	( _ _ )	( _ _ _ )	( _ _ _ )

The term “Fund” is defined as follows:

“A sum of money or other resources segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations, and constituting an independent fiscal and accounting entity.”

For the purpose of the “Iowa Uniform Accounting System for Community Colleges,” a one-digit code will be used to identify a “Fund” or “Fund Group”. The fund identification digit will always be the first digit of the transaction code. In addition, the fund identifier code will also represent the first digit of each organization code. Organizational units have been grouped by the activities they are to perform or objectives they are to obtain. The segregation of resources by funds further identifies the source of support for the specific organizational units.

### B. Fund Groups and Codes

The following funds will be used:

<u>1</u>	Unrestricted General Fund
<u>2</u>	Restricted General Fund
<u>3</u>	Auxiliary Fund
<u>4</u>	Agency Fund
<u>5</u>	Scholarship Fund
<u>6</u>	Loan Fund
<u>7</u>	Plant Fund
<u>8</u>	Endowment Fund

### C. Fund Definitions

#### Fund 1 - Unrestricted General Fund

This fund is available for legally authorized purposes and is, therefore, used to account for all revenue and expenditures for activities not provided for in other funds.

Organizational units to be financed through this fund are those which are generally directly related with the operation and support of the educational program of the college the only restrictions being those imposed by the budget. If provisions are made for restricted general funds, then resources which are earmarked, or restricted for certain purposes, would not be included in this fund.

## Fund 2 - Restricted General Fund

This fund is used to account for resources that are available for the operation and support of the educational program, but which are restricted as to their use. Some examples are: Tort Liability, Unemployment Compensation, direct Federal grants, Chapter 260E Industrial New Jobs Training activities, and Grow Iowa Values Fund.

## Fund 3 - Auxiliary Fund

This fund is to record resources received, held, and disbursed by a community college over which the community college has determination as to the nature and degree of receipts and expenditures.

## Fund 4 - Agency Fund

This fund is used to record resources received, held, and disbursed by a community college as fiscal agent for others. Normally, revenue and expenditure of agency funds are not community college revenue and expenditures and should be reported separately. Chapter 260F Jobs Training activities will be included in this fund.

## Fund 5 - Scholarship Fund

This fund is used to account for resources available for awards to students who are not in payment of services rendered to the community college and will not require repayment to the community college.

On-campus Workstudy payments to students should not be included here since these payments are for services rendered to the community college and should be charged to the organizational units benefiting from the services. The federal share of on-campus expenditures shall be transferred to the benefited fund.

Off-campus Workstudy payments for students should be included here since the college is not the one benefiting from the services of the student. Off-campus reimbursement will be receipted to this fund. (The preceding sentence applies only if the college reimburses the students. The college will then bill the employer for their share. If the employer pays the student, they will bill the college for the federal portion and it will be charged to this fund.)

## Fund 6 - Loan Fund

Loan funds are those funds whose principal is available for loans. These funds are established for the purpose of aiding students. Frequently, gifts to the community college furnish the basis for the establishment of a loan fund. Where both principal and interest are loanable, these should be placed in this fund. If the principal is not loanable, it should be placed in the Endowment Fund and only the loanable portion of the gift should be classified to this fund. The equity in this fund is increased by gifts and interest on loans and investments and is decreased only by the write-off of uncollectible loans and legally permitted administrative and collection costs.

## Fund 7 - Plant Fund

This fund is used to account for the following type of resources:

### a. Unexpended Plant Sub-Fund

This sub-fund is used to account for resources which will be expended for the acquisition or construction of physical property to be used for community college purposes and resources designated for the major repair and/or replacement of community college property. Acquisition or construction of physical property, as used here, will be all-inclusive of the capital outlay expenditures previously charged to the Plant Fund. Assets consist of cash, investments, accounts receivable and amounts due from other funds and construction in progress. Liabilities may consist of accounts payable, bonds payable, notes payable, leaseholds payable, and amounts due to other funds.

As funds are expended for construction, an asset control account for construction in progress should be maintained. At the completion of project, construction in progress, together with related liabilities and fund balances should be transferred to the investment in plant sub-fund.

### b. Debt Service Sub-Fund

This sub-fund is used to account for the accumulation of resources, which will be used for interest and principal payments and other debt service charges relating to long-term plant fund indebtedness. The transactions recorded in this fund are those previously associated with the debt service section of the Plant Fund. The assets of this sub-fund normally consist of cash and investments to be used for the retirement of indebtedness.

### c. Investment in Plant Sub-Fund

The investment in plant sub-fund is used to account for the cumulative cost of plant assets, net of cumulative deletions. The assets consist of land, buildings, other structures and improvements, furniture, machinery and equipment, and library materials. Liabilities may consist of accounts payable, notes payable, bonds payable, and leaseholds payable which are associated with the acquisition, renewal or replacement of plant assets, recorded in this fund. The net investment in the plant is the fund balance representing the excess of the carrying value of assets over liabilities.

d. Voted Tax Sub-Fund (.2025 Levy) (Optional)

The proceeds of the additional tax approved at an annual school election may only be used for: the purchase of land, construction of buildings, payment of debt contracted for constructions of buildings, purchase of buildings, equipment for buildings, the acquisition of libraries, paying cost of utilities and for the purpose of maintaining, remodeling, improving, or expanding the community college which approved the additional tax.

This is a restricted transfer sub-fund. The amount of annual principal and interest payment should be paid to the sinking fund (bonds) asset object code 114, or sinking fund (notes payable), asset object code 115, depending upon the type of financing used before any of the tax proceeds can be used for any other school purpose. Any unused balance (after the obligation for any one year has been met), may be transferred to the unexpended plant sub-fund.

Fund 8 - Endowment Fund

Endowment funds, which can be defined as those resources, the principal of which shall be maintained inviolate to conform to restrictions placed thereon by the donor or other outside agency. Generally, only the income from these funds may be used and the net income from endowment fund investments should not be reported as transactions of the endowment fund group; but should be credited directly to the fund group from which such income will be expended, that is general fund, loan fund or plant fund.

## CHAPTER V FUNCTION

### A. Explanation

Fund	Function	Specific Unit	Site	Optional	Object
( )	(X)	( _ _ _ )	( _ )	( _ _ )	( _ _ _ )

The Iowa system of Community Colleges has two major community college functions. These two major functions are normally classified as the Education Function and Support Function. Within the two major functional classifications, higher educational community colleges have identified and established by community college decision, statutory requirement, administrative regulations, or inter-community college agreement, some comparatively well defined sub-functions. These are usually referred to as organizational units or activity centers in which closely related, well-defined tasks or services are performed within a major function. They are often shown on organizational charts, as an organizational unit, an activity, a section, a department, or other unit within a major community college function.

In the "Iowa Uniform Accounting System for Community Colleges," the organizational units of each fund are grouped together according to the function they perform to aid in the classification and analysis of financial information.

### B. Functional Codes and Groups

- 1     Arts and Sciences Education
- 2     Vocational (Career) Technical Education
- 3     General Adult Education (Continuing Education)
- 4     Cooperative Programs or Services
- 5     General Administration
- 6     Student Services
- 7     Learning Resources (Library)
- 8     Physical Plant
- 9     General Institution

The above functions comprise the Education and Support Functions. These organizational units are financed through the General Fund Group (Unrestricted and Restricted).

Each of the other funds perform only one function, i.e., the Loan Fund's function is to account for loan funds, therefore, the functional codes for these funds can be used to further classify activities into logical groupings.

### C. Function Descriptions

The Educational and General Support functions are those performed by organizational units concerned with the operation and support of the educational program. They are financed only through the General Fund Group. The exception to this rule would be as it pertains to related instructional activities in the Auxiliary Fund.

#### Function 1 - Arts and Sciences Education

All administrative and instructional organizational units of the community college which provide instruction in the area of college parallel and college parallel/career option, should be grouped within this function.

#### Function 2 – Vocational (Career) Technical Education

All organizational units designed to provide vocational, technical, and semi-professional training should be grouped within this function.

#### Function 3 - General Adult Education (Continuing Education)

All organizational units designed to provide services, courses, and programs intended mainly for part-time students who are not a part of one of the instructional divisions of Arts and Sciences or vocational-technical functions. Some examples include: adult basic education, high school completion, supplemental vocational-technical, and short-term preparatory. The community college has the option to offer in this function other such things as: vocational-technical part-time, short-term preparatory and adult Arts and Sciences.

#### Function 4 - Cooperative Programs or Services

All organizational units designed to provide instruction for Secondary Joint Effort activities and all activities concerning Chapter 260E Industrial New Jobs Training and Chapter 260F Jobs Training should be grouped in this function.

#### Function 5 - General Administration

All expenditures of the Community College Board of Trustees, the CEO, and business office which serves the entire community college should be included in this function. Administrative expenditures, chargeable directly (prorated) to auxiliary enterprises, or to organized activities related to vocational departments should be excluded or deducted from the total included under this function.

#### Function 6 - Student Services

All organizational units, which are primarily concerned with providing services for students, should be grouped under this function.

#### Function 7 - Learning Resources (Library)

All organizational units, which provide for storage, distribution, and use of educational materials throughout the entire community college, should be grouped under this function.

### Function 8 - Physical Plant

All organizational units, which are responsible for the operation and maintenance of the community college's physical facilities, should be grouped under this function.

### Function 9 - General Institution

This function includes all other expenditures except those included in functions 1-8 above. Types of expenditures would be found in Chapter VII.

**CHAPTER VI  
SPECIFIC UNITS  
FOR INSTRUCTIONAL AND  
SUPPORT FUNCTIONS**

**A. Explanation**

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ )	( _ _ )	( _ _ )

Each organizational unit or activity of any community college for which financial information is to be accumulated should be assigned a specific unit code. When the fund number, function number, and unique identifier is added to the specific unit number, a code number is established which identifies each organizational unit of the community college. By including the two-digit site numbers, specific location is identified. There are provisions for a range of 99 to 3999 specific unit within each function. Some community colleges may not have need for each of these specific units. This is permissible, but for uniformity in state reporting, the same fund and function number, as presented here should be used. Specific units for vocational-technical education should be used as illustrated. Additional numbers will be assigned by the state agency based on need and requests.

**B. Overall Unit Structure**

<b>Function</b>	<b>Specific Unit</b>
<u>1</u>	<u>0 0 0 0</u> Arts and Sciences Education
<u>2</u>	<u>3 0 0 0</u> Vocational (Career) Technical Education
<u>3</u>	<u>6 0 0 0</u> General Adult Education (Continuing Education)
<u>4</u>	<u>7 0 0 0</u> Cooperative Programs or Services
<u>5</u>	<u>8 0 0 0</u> General Administration
<u>6</u>	<u>8 2 0 0</u> Student Services
<u>7</u>	<u>8 3 0 0</u> Learning Resources (Library)
<u>8</u>	<u>8 4 0 0</u> Physical Plant
<u>9</u>	<u>8 5 0 0</u> General Institution

**Arts and Sciences Education Function  
Specific Unit  
0000-2999\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ )	( _ _ )	( _ _ )

2 9 0 1—Administration

\* These specific unit codes are unique to the Arts and Sciences Education function.

**Vocational (Career) Technical Education Function**  
**Specific Unit**  
**3000-5999\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ _)	( _ _ _)	( _ _ _)

5 9 0 1—Administration

\* These specific unit codes are unique to the Vocational-Technical Education function.

**General Adult Education Function**  
**Specific Unit**  
**6000-6999\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ _)	( _ _ _)	( _ _ _)

6 9 0 1—Administration

\* These specific unit codes are unique to the General Adult Education function.

**Cooperative Programs or Services**  
**Specific Unit**  
**7000-7999\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ _)	( _ _ _)	( _ _ _)

7 9 0 1—Administration

\* These specific unit codes are unique to the Cooperative Programs or Services function.

**General Administration Function**  
**Specific Unit**  
**8000-8199\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ )	( _ _ )	( _ _ )

8 0 0 1—Board  
8 0 0 2—President's Office  
8 0 0 3—Business Office  
8 0 0 4—Purchasing  
8 0 0 5—Accounting  
8 0 0 6—Cashier's Office  
8 0 0 7—Property Records  
8 0 0 8—Central Receiving  
8 0 0 9—Business Services  
8 0 1 0—Internal Auditor

\* These specific unit codes are unique to the General Administration function.

**Student Services Function**  
**Specific Unit**  
**8200-8299\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ )	( _ _ )	( _ _ )

8 2 0 1—Admissions  
8 2 0 2—Registrar  
8 2 0 3—Graduation  
8 2 0 7—Veterans Affairs  
8 2 2 0—Counseling  
8 2 2 1—Placement Office  
8 2 2 2—Follow-Up  
8 2 2 3—Financial Aid  
8 2 2 4—Testing  
8 2 2 5—Student Activities Office  
8 2 2 6—Director of Athletics  
8 2 2 7—Health Services  
8 2 2 8—Orientation  
8 2 2 9—Career Option  
8 2 3 0—Housing  
8 2 9 0—Administration

\* These specific unit codes are unique to the Student Services function.

**Learning Resources Function**  
**Specific Unit**  
**8300-8399\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ )	( _ _ )	( _ _ )

8 3 0 1—Library  
8 3 1 0—Media Center  
8 3 2 0—Computer-Assisted Instruction Laboratory  
8 3 9 0—Administration

\* These specific unit codes are unique to the Learning Resources function.

**Physical Plant Function**  
**Specific Unit**  
**8400-8499\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ )	( _ _ )	( _ _ )

8 4 0 1—Grounds Development  
8 4 1 0—Custodial Services  
8 4 2 0—Securities Services  
8 4 3 0—Utility Plant  
8 4 4 0—Maintenance Service  
8 4 5 0—Plant Operational Expense (Insurance on  
 \_\_\_\_\_ buildings and equipment, electricity and water  
 bills etc.)  
8 4 6 0—Transportation Services  
8 4 9 0—Administration

\* These specific unit codes are unique to the Physical Plant function.

**General Institution**  
**Specific Unit**  
**8500-8599\***

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	(XXXX)	( _ _ )	( _ _ _ )	( _ _ _ )

8 5 0 1—Institutional Development  
8 5 0 2—Personnel Services  
8 5 0 3—Data Processing  
8 5 0 4—General Printing  
8 5 0 5—Communication  
8 5 0 6—Public Relations  
8 5 0 7—Other General Institution  
8 5 1 0—Alumni Affairs  
8 5 4 3—Early Retirement  
8 5 4 8—District Administration  
8 5 5 5—Assistant to President  
8 5 7 0—Telecommunications  
8 5 9 0—Administration

\* These specific unit codes are unique to the General Institution function.

## CHAPTER VII GENERAL LEDGER CHART OF ACCOUNTS

### GENERAL LEDGER CLASS:

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	( _ _ _ )	( _ )	( _ _ )	(XXX)

A. Explanation—The General Ledger classification code is used to indicate the type of transaction or account. The General Ledger classes are:

- Assets
- Liabilities
- Appropriations, Resources, and Fund Balance
- Revenue
- Expenditures for Salary, Related Payroll Costs, and Fringe Benefits
- Expenditures for Current Expenses
- Expenditures for Capital Outlay

B. The General Ledger classification code is designed as a separate code to describe transactions and accounts regardless of the fund in which they are used. For example, materials, supplies, and non-capitalized capital assets expenditure account 632, may be used in the:

Unrestricted General Fund	(1) ( ) ( ) ( _ _ _ ) ( _ ) ( _ _ ) (6 3 2)
Restricted General Fund	(2) ( ) ( ) ( _ _ _ ) ( _ ) ( _ _ ) (6 3 2), and
Auxiliary Fund	(3) ( ) ( ) ( _ _ _ ) ( _ ) ( _ _ ) (6 3 2)

Codes that are not listed in this manual may be used by colleges for internal management purposes during the year. However, those accounts should be closed out into approved account codes at the end of the fiscal year.

## CHAPTER VIII ASSET ACCOUNTS

### GENERAL LEDGER CLASS

#### A. Charts of Accounts

Fund	Function	Specific Unit	Site	Optional	Object
(_)	(_)	( _ _ _ )	( _ _ )	( _ _ _ )	(XXX)

#### Cash — 100-129

Cash in Bank	101
Cash Sinking Fund — Bonds Repayment	114
Cash Sinking Fund — Notes Payable	115
Cash in Bank — Payroll	119
Returned Checks	120
Cash on Hand	121
Petty Cash	122
Cash in Bank — Property Tax Cash Reserve	129

#### Investments — 130-139

Investment in C.D.'s or U.S. Gov. Securities	130
Investment in Savings	131
Other Investments	132

#### Accounts Receivable — 140-149

Due from Students	141
Due from District Property Tax	142
Due from State Funds	144
Due from Federal Funds	145
Due from Others	146

#### Notes Receivable — 150-154

Student Loans	150
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#### Other Assets — 155-159

Prepaid Expenses	155
Deposits	159

### Inventories — 160-169

Materials and Supplies	161
Repair Materials	162
Auxiliary Enterprise Materials	163
Custodial Supplies	164
Work-in-Progress	169

### Due From Other Funds — 170-179

Due from Unrestricted General Fund	171
Due from Restricted General Fund	172
Due from Auxiliary Fund	173
Due from Agency Fund	174
Due from Scholarship Fund	175
Due from Loan Fund	176
Due from Plant Fund	177
Due from Endowment Fund	178

### Loans Outstanding — 180-189

### Plant Assets — 190-199

Land	191
Buildings and Fixed Equipment	192
Other Structures and Improvements	193
Furniture, Machinery and Equipment	194
Capitalized Software Purchased/Developed	196
Construction in Progress	197
Leased Property under Capital Leases	198
Accumulated Depreciation	199

### B. Account Descriptions

The following brief account descriptions are provided as a guide. They are not intended to provide description for all the asset accounts, which may be used by an individual community college. Account titles and descriptions may be added to meet the community college's individual needs by using the unassigned account numbers in the appropriate object account code group classification. However, for state reporting purposes, all local object codes should be closed to those identified in this accounting manual at the end of the fiscal year.

## Cash — 100-129

### *101 — Cash in Bank(s)*

This account is used for the balance of money on deposit with a bank, subject to withdrawal, after deducting outstanding checks and adjusting for bank charges and credits. Each separate bank account will be assigned a general ledger number, using numbers 101 through 113. Special bank accounts, such as a revenue clearing account, would be assigned a number in this group of accounts and used by all funds jointly.

### *114 — Cash Sinking Fund - Bonds Repayment*

This account is used for cash or other assets, and the interest or other income earned thereon. It is set apart for the retirement of bonds where the indenture requires the issuer to set aside periodically a sum which, with interest, will be sufficient to meet the redemption price of the bonds or to equal a specified fraction of the total, the balance unprovided for or left for refunding.

### *115 — Cash Sinking Fund - Notes Payable*

This account is used for cash or other assets, and the interest or other income earned thereon. It is set apart for the retirement of notes payable where the indenture requires the issuer to set aside periodically a sum which, with interest, will be sufficient to meet the redemption price of the notes payable or to equal a specified fraction of the total, the balance unprovided for or left for refunding.

### *119 — Cash in Bank (Payroll)*

This account is used to record the net amount of the payroll. A check is drawn on a general account equal to the net payroll and deposited to this account. A minimum fixed amount could be maintained in this account for an emergency payroll disbursement. In the event of such disbursement, the next deposit should total the net amount of emergency checks drawn, plus the net amount of the regular payroll.

### *120 — Returned Checks*

This account is used to record checks returned by banks because of insufficient funds or other valid reasons. The checks are to be redeposited or converted into depositable assets by the drawer and redeposited. This account would normally be used only by the general current fund, auxiliary fund, and agency fund. (The funds receiving checks from individuals).

### *121 — Cash on-Hand*

This account can be used by all funds to record collection of money. It would be debited for the amount of money collected. When the money is deposited in the bank, this account will be credited and the particular bank account would be debited.

### *122 — Petty Cash*

This account is for a fixed amount of money set aside in the cashier's office to make immediate cash disbursements for small purchases or services. The total of the fund should always be accounted for by cash on-hand, plus receipts for amounts expended. The fund is replenished periodically by an amount equal to the total of the petty cash slips or invoices. Each time the fund is replenished, charges are made to the appropriate organizational unit expenditure accounts.

### *129 — Cash in Bank - Property Tax Cash Reserve*

This account is used to record the receipt of funds from property tax levy for the purpose of maintaining a cash balance.

## Investments — 130-139

### *130 — Investments in C.D.'s or U.S. Government Securities*

This account is used to record all investments of the college other than passbook savings. (Note: The Iowa State Treasurer should be consulted as to legality of certain investments.)

### *131 — Investments in Savings*

This account is used to record all savings account investments of the college.

### *132 — Other Investments*

This account is used to record all other investments.

## Accounts Receivable — 140-149

This account group is used to record accounts receivable from all sources. These accounts should be debited and revenue accounts should be credited at the time it is determined that an amount of money is due the college regardless of when the money will actually be received.

## Notes Receivable — 150-154

### *150 — Student Notes*

This account is used only in the loan fund and is used to account for loans receivable from students. This account is debited when a loan is made and credited when a repayment is made.

## Other Assets — 155-159

### *155 — Prepaid Expenses*

This account is used to record all prepayments for services which extend beyond the accounting period. Periodic adjustments should be made so that the balance of these accounts reflects the prepaid amount for subsequent periods.

### *158 — Deposits*

This account is used to record the amount of money deposited with an outside agency as a means of guaranteeing some performances. This account is debited for the amount of the deposit when made and credited when the deposit is returned.

## Inventories — 160-169

This account group is used to reflect the value of the materials and supplies on-hand. When physical inventories are taken (at least annually) the inventory account should be adjusted with the offsetting entry to the expenditure accounts in the 600 series. Account 169 will reflect materials and supplies, and related costs included in a partially completed structure, such as a student-constructed house or building under construction.

## Due From Other Funds — 170-179

This account group is used to reflect amounts due from one fund to another fund. They may arise from actual transfer of money from one fund or rendering a service to another fund. For example, if the General Fund paid the entire telephone bill of the community college and the Auxiliary Fund was supposed to pay some of it, then the amount due from the Auxiliary Fund should be debited to the account “Due from Auxiliary Fund”.

Transfer of funds, not intended to be repaid, would be debited to Expenditure Account 680, “Transfers.”

## Loans Outstanding — 180-189

## Plant Assets — 190-199

### *191 — Land*

This account is used to maintain the acquisition cost of land. Costs of clearing the land and other site development costs should be considered improvements and thus recorded in Asset Account 193, “Other Structures and Improvements.”

The actual purchase of land will be charged to the expenditure account number 770, “Land”. At the end of the fiscal year, all the purchases of land will be transferred to asset account 191 “Land”.

### *192 — Buildings and Fixed Equipment*

This account is used to maintain the accumulated value of buildings and equipment. The actual purchase will be charged to expenditure account 760 “Buildings and Fixed Equipment”, and will be transferred at the end of the fiscal year to asset account 192, “Buildings and Fixed Equipment”.

Deductions should be made periodically (at least annually) for items lost or destroyed because of obsolescence or physical condition. Care should be exercised in deducting items traded to make sure that the net value of items is deducted and not the gross value.

### *193 — Other Structures and Improvements*

This account is used to record the accumulative value of fixed assets other than land, buildings, books, furniture, and equipment. Items included will be sidewalks, parking lots, site development, fences, flag poles, lighting systems, etc.

The actual purchase of these assets will be charged to expenditure account 780 “Other Structures and Improvements,” and will be transferred at the end of each fiscal year to asset account 193 “Other Structures and Improvements”.

Deductions should be made periodically (at least annually) for items lost, traded or destroyed because of obsolescence or physical condition. Care should be exercised in deducting items traded to make sure that the net value of items is deducted and not the gross value.

### *194 — Furniture, Machinery and Equipment*

This account is used to record the accumulative value of furniture, machinery, and equipment for which line item inventory control is maintained. It is the control account for accountable equipment that will be tagged or identified and accounted for in some other manner.

The actual purchase of these items is charged to the appropriate expenditure account -- 710, 711, 730, 740, or 790 and is transferred at the end of the fiscal year to asset account 194 "Furniture, Machinery and Equipment".

Deductions should be made periodically (at least annually) for items lost, traded or destroyed because of the obsolescence or physical condition. Care should be exercised in deducting items traded to make sure that the net value of items is deducted and not the gross value.

#### *196 — Capitalized Software Purchased/Developed*

This account is used to record the accumulated value of software purchased or developed.

The actual purchase of these will be charged to the expenditure account 750 and then transferred at the end of the fiscal year to asset account 196 "Capitalized Software Purchased/Developed".

#### *197 — Construction in Progress*

This account is used to record cumulative expenditures for construction in progress related to long-lived plant assets. At completion of the project, construction in progress should be transferred to appropriate asset account numbers 192, 193 or 194.

#### *198 — Leased Property under Capital Leases*

This account is used by the lessee to record the carrying value of lease property under capital leases in the Investment in Plant Sub-Fund. At the inception of the lease, this account is debited and liability account 264 "Leaseholds Payable" is credited in an amount representing the lesser of:

- (1) The present value beginning of the lease term of minimum lease payments during the lease term, excluding that portion of payments representing executory costs such as insurance, maintenance and taxes to be paid by the lessor, together with any profit thereon, or
- (2) The fair value of the leased property at the inception of the lease.

#### *199 — Accumulated Depreciation*

This account will be used to record all accumulated depreciation on capitalized assets. Sub-accounts may be set up to account for accumulated depreciation on specific classes of assets (i.e., buildings or equipment).

## CHAPTER IX LIABILITIES

### A. Chart of Accounts

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	( _ _ _ )	( _ _ )	( _ _ _ )	(2XX)

Trade Accounts Payable	201
Current Contracts Payable	202
Long-Term Contracts Payable	203
Anticipatory Warrants	204
Salaries and Wages Payable	210
Employees Compensation for Future Absences	215
State Income Tax Payable	220
Federal Income Tax Payable	221
FICA Tax Payable	222
Retirement Plan Payable	223
TSA Payable	224
Insurance Premiums Payable	225
Out-of-State Income Tax Payable	226
Credit Union Deductions Payable	227
Union Dues Payable	228
Unemployment Compensation Payable	229
Other Employee Payroll Deductions Payable	230
Sales Tax Payable	231
Deposits Refundable	240
Bonds Payable	261
Loans Payable	262
Interest Payable	263
Leaseholds Payable	264
Unamortized Premium on Certificates	265
Unamortized Discount on Certificates	266
Deferred Income	271
Funds held in trust for others	280

## B. Account Descriptions

The following brief account descriptions are provided as a guide. They are not intended to provide description for all the liability accounts, which may be used by an individual community college. Account titles and descriptions may be added to meet the community college's individual needs by using the unassigned account numbers in the appropriate object account code group classification. However, for state reporting purposes, all local object codes should be closed to those identified in this accounting manual at the end of the fiscal year.

### Liabilities — 201-299

#### *201 — Trade Accounts Payable*

This account is used to record obligations due to others. Obligations become payable when goods are received or services are rendered and an invoice has been received. At the end of the fiscal year, all obligations should be recorded and appropriate expense accounts should be debited.

#### *202 — Current Contracts Payable*

This account is used to record the principal amount of contract obligations that will become due and payable (mature) within the next fiscal year.

#### *203 — Long-Term Contracts Payable*

This account is used to record the principal amount of contract obligations with remaining terms in excess of one year which are not recorded as current contracts payable.

#### *204 — Anticipatory Warrants*

This account is used to record the principal amount of the anticipatory warrants issued and outstanding.

#### *210 — Salaries and Wages Payable*

This account is used to record the amount of salaries and wages earned by the employees during the accounting period, but not yet paid. Salaries and wages payable would be credited and the appropriate salary expense accounts debited when the salaries are actually paid.

### *215 — Employees' Compensation for Future Absences*

This account is used to record liabilities for employees' rights to receive compensation for future absences when certain conditions are met. For example, this liability account should be credited and appropriate salary expense accounts debited for the value of vacation benefits which employees have earned but have not yet taken. The change in the carrying value of this account from one fiscal year to the next should be debited or credited to the appropriate salary expense accounts.

### *220 — State Income Tax Payable*

This account is used for the amount of income taxes withheld from employees' salaries until the withholdings are remitted to the Iowa Department of Revenue.

### *221 — Federal Income Tax Payable*

This account is used for the amount of income taxes withheld from employees' salaries until the withholdings are remitted to the federal Internal Revenue Service.

### *222 — FICA Tax Payable*

This account is use for the FICA taxes withheld from employees' salaries and employers share if not immediately paid. The Community Colleges share expenditure account 592 "FICA (Employer's Share)" in the Salaries, Related Payroll and Fringe Benefits group of accounts, should be debited. When the payment of the tax is made, cash will be credited and this payable account debited.

### *223 — Retirement Plan Payable*

This account is used for all retirement contributions except TSA withheld from employees' salaries and for the community college's matching portion only if, for some reason, liability is not paid when the salary checks are prepared or at the end of the accounting period. The community college's share would be an expense in the expenditure account 593 "Retirement Plan (Employers Share)" in the group of accounts.

### *224 — TSA Payable*

This account is used for TSA retirement contributions withheld from employees' salaries and for the community college's matching portion only if, for some reason, liability is not paid when the salary checks are prepared or at the end of the accounting period. The community college's share would be an expense in the expenditure account 590 "Payroll Cost and Fringe Benefits" group of accounts.

*225 — Insurance Premiums Payable*

This account would be handled similarly to the other fringe benefit payable accounts.

*226 — Out-of-State Income Tax Payable*

This account would be handled similarly to the other fringe benefit payable accounts.

*227 — Credit Union Deductions Payable*

This account would be handled similarly to the other fringe benefit payable accounts.

*228 — Union Dues Payable*

This account would be handled similarly to the other fringe benefit payable accounts.

*229 — Unemployment Compensation Payable*

This account would be handled similarly to the other fringe benefit payable accounts.

*230 — Other Employee Payroll Deductions Payable*

This account is used for payroll deductions payable other than those listed (accounts 220-229).

*231 — Sales Tax Payable*

This account is used for the amount of sales tax collected. It will be debited when the tax is paid to the State Department of Revenue.

*240 — Deposits Refundable*

This account is used if the community college receives funds which are refundable, such as key deposits or bid deposits, they will be credited to this account. This account will be debited when the deposit is refunded or when it is determined the deposit should be forfeited.

## 251-259 — *Due to Other Funds*

This group of accounts is used to reflect amounts due to one fund from another fund. They may arise from actual transfer of money from one fund or rendering a service to another fund. For example: if the General Fund paid the entire telephone bill of the community college and the Auxiliary Fund was supposed to pay some of it, then the amount due to the Auxiliary Fund should be debited to the account “Due to Auxiliary Fund”.

Transfers of funds which are not intended to be repaid would be debited to Expenditure Account 680, “Transfers”.

## 261 — *Bonds Payable*

This account will be used in the “Restricted General Fund” and in the “Unexpended and Investment in Plant Sub-Funds.” In the “Unexpended Plant Sub-Fund,” this account is credited for the face value of bonds issued and cash account 101 “Cash in Bank” is debited.

1. In the “Restricted General Fund,” this account is credited for the face value of the certificates issued and the cash account 101 “Cash in Bank” is debited. In the event the actual amount received is less than the face value of the certificates, account number 266 “Unamortized Discounts on Certificates Issued” will be debited for the difference. In the event the actual amount received is greater than the face value of the certificates issued, account number 265 “Unamortized Premium on Certificates Issued” will be credited for the difference.
2. As bond proceeds are expended and capitalized for plant facilities, an amount equal to the capitalized asset is transferred from the Unexpended Plant Sub-Fund to the Investment in Plant Sub-Fund.
3. As bonds are retired, this account is debited and fund balance account 312 “Net Investment in Plant” is credited. As certificates are redeemed and certificates proceeds are expended, this account is debited and “Cash in Bank” is credited.

## 262 — *Loans Payable*

This account is used to credit the amount of the loan due during the accounting period, but which is unpaid at the end of the year.

## 263 — *Interest Payable*

This account is used to credit the amount of interest which accrues on liabilities during the accounting period, but which is unpaid at the end of the year.

## 264 — *Leaseholds Payable*

This account is used to record the debt with respect to the carrying value of assets purchased under capitalized lease obligations. This account will reside in the Investment in Plant Sub-Fund, and with the inception of the lease, asset account 198 “Leased Property under Capital Leases” is debited and this account is credited in an amount representing the lesser of:

- The present value at the beginning of the lease term of the minimum lease payments during the lease term, excluding that portion of payments representing executory costs to be paid by the lessor, together with any profit thereon, or
- The fair value of the leased property at the inception of the lease.

## 265 — *Unamortized Premium On Certificates*

This account is used to debit any excess funds received over the face value of certificates issued. This excess would be amortized over the life of the certificates and offset against interest expense (e.g., debit this account and credit expense account 670 “Interest on Debt”).

## 266 — *Unamortized Discount on Certificates*

This account is used for any shortage between the face value of certificates issued and the amount of funds actually received. The amount of shortage would be amortized over the life of the certificates and offset against interest expense (e.g., debit expense account 670 “Interest on Debt” and credit this account).

## 271 — *Deferred Income*

This account should be credited when income is received which applies to a future period. An example would be student fees collected in the fall term which apply to the spring or summer term. When the income is actually earned, the deferred income account should be debited and the appropriate revenue account credited.

## 280 — *Funds Held in Trust for Others*

This account would be credited for the amount of funds held in trust for others. Example of such funds could be money collected for private dormitories, foodservice, etc., which has not been paid.

## CHAPTER X RESERVES AND FUND BALANCES

### A. Chart of Accounts

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	( _ _ _ )	( _ _ )	( _ _ _ )	(3XX)

Fund Balance — Unrestricted	311
Fund Balance — Net Investment in Plant	312
Fund Balance — Restricted for Specific Purpose	313

### B. Account Descriptions

The following account descriptions are provided as a guide. They are not intended to provide descriptions for all the fund balance accounts, which may be used by an individual community college. Account titles and descriptions may be added to meet the community college's individual needs by using the unassigned account numbers in the appropriate object account code group classification. However, for state reporting purposes, all local object codes should be similar to those identified in this accounting manual at the end of the fiscal year.

#### *311 — Fund Balance Unrestricted*

This account represents the portion the assets of each fund which are available for use by the community college. It may represent the principal of a fund, such as endowments or loans, or it may represent an excess of revenue over expenditures. If desired, sub-accounts may be set up to identify specific types of balances. At the end of the fiscal year all revenue and expenditure accounts are closed into this account unless other accounts are specifically designated.

#### *312 — Fund Balance - Net Investment in Plant*

The net investment in plant is the fund balance representing the excess of the carrying value of fixed assets over liabilities. Net investment in plant is increased through the acquisition of plant assets less associated liabilities, as well as through liquidation of indebtedness incurred for plant purposes.

Net investment in plant is decreased through disposal of assets. When plant assets are sold, exchanged, or otherwise disposed of, the carrying value is removed from the asset accounts and the net investment is reduced accordingly.

### *313 — Fund Balance - Restricted for Specific Purposes*

This account represents the portion of the assets of each fund which are available, but restricted for a specifically designated purpose. At the end of the fiscal year, all of the fiscal year revenue and expenditure accounts for specific purpose are closed into this account.

## CHAPTER XI REVENUE

### A. Chart of Accounts

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	( _ _ _ )	( _ _ )	( _ _ _ )	(4XX)

#### Student's Fees — 400-409

Laboratory Fees	401
Application Fees	402
Graduation Fees	403
Transcript Fees	404
Activity Fees	405
Other Fees	406
Fee Refunds	407

#### Tuition — 410-414

Contracted Instructional Charges	410
Resident Tuition	411
Non-Resident Tuition	412
Tuition-Secondary	413
Tuition Refunds	414

#### Local Support — 415-419

Property Tax—Equipment Replacement	415
Property Tax—Operations/Plant Fund/Early Retirement/Cash Reserve	416
Property Tax—Unemployment Compensation	417
Property Tax—Debt Service/Standby	418
Property Tax—Tort Liability/Insurance	419

#### State Support — 420-429

State General Aid	421
State Capital Outlay Appropriations	425
State Work Study	426
Other State Support	429

Federal Support — 430-449

Title II—Library	431
Title III—Developing Community Colleges	432
Title IV—SEOG	433
Title IX—Work Study	434
Title IV—Perkins Loans	435
Title IV—PELL	436
Title VI—Improvement of Instruction	437
Carl D. Perkins	441
Workforce Investment Act	443
Adult Basic Education	446
Other Federal Support	449

Sales and Services — 450-469

Housing	451
Vending Machines	452
Rental of College Facilities	453
Other Sales and Services	454
Bookstore—Textbooks	455
Bookstore—Other Items	456
Food	457
Sales Returns	459
Gate Receipts (Subject to Sales Tax)	460
Receipts, Games of Chance (Subject to Sales Tax)	461

Other Income — 470-499

Interest	471
Gains and Losses on Sale of Investments	472
Gifts and Grants	473
Assessment—Special Charges	477
Proceeds from Sales of Bonds/Certificates	480
Iowa New Jobs Training	481
Repayment of Principal on Student Loans	482
Loan Cancellation Reimbursements	483
Additions to Assets	484
Miscellaneous Receipts	485
Proceeds from the Sale of Fixed Assets	486
Incremental Tax Revenue	487
Withholding Tax Revenue	488
Loans Transferred to Office of Education	489
Transfers	490

## B. Account Descriptions

The following brief account descriptions are provided as a guide. They are not intended to provide description for all the revenue accounts, which may be used by an individual community college. Account titles and descriptions may be added to meet the community college's individual needs by using the unassigned account numbers in the appropriate object account code group classification. However, for state reporting purposes, all local object codes should be closed to those identified in this accounting manual at the end of the fiscal year.

### Student's Fees — 400-409

#### *401 — Laboratory Fees*

This account is used to record fees assessed students for specific courses that experience unusual or higher than average cost of instruction such as chemistry, music, flight instruction, etc.

#### *402 — Application Fees*

This account is used if some community colleges wish to charge prospective students an application fee when they apply for admission. These fees will be credited to this account and will be used to finance the educational and general support activities of the community college.

#### *403 — Graduation Fees*

This account is used if a community college charges a graduation fee. Fees will be credited to this account and used to finance the educational and general support activities of the community college.

#### *404 — Transcript Fees*

If fees are charged for copies of transcripts, they will be credited to this account and used in the same manner as graduation fees.

#### *405 — Activity Fees*

The fees assessed to students to support out-of-class activities are credited to this revenue account. This account will normally be used in the Agency Fund.

#### *406 — Other Fees*

Any student fees not included in account codes 400-405 will be credited to this account. Parking fees would be an example to include in this account.

#### *407 — Fee Refund*

This account is debited for all fees refunded to students.

#### Tuition — 410-419

##### *410 — Contracted Instructional Charges*

This account is used for revenue from agencies and organizations received in lieu of a standard tuition charge to students sponsored by these agencies and/or organization for programs operated as a result of agreements and contracts. This shall include Chapter 260E (Industrial New Jobs Training) training and penal correction activities in fund 2. Chapter 260F (Jobs Training) shall be recorded in fund 4.

##### *411 — Resident Tuition*

This account is used for the tuition received from students, both full and part-time, who are residents of Iowa. This shall also include tuition received under the postsecondary enrollment options act.

##### *412 — Non-Resident Tuition*

This account is used for the tuition received from students, both full and part-time, who are not residents of Iowa.

##### *413 — Tuition-Secondary*

This account is used for all local education agency (LEA) tuition activities, except for the postsecondary enrollment options act which will be recorded in “411”.

##### *414 — Tuition Refund*

This account is used for all tuition, both resident and non-resident, which is refunded to students.

#### Local Support — 415-419

##### *415 — Property Tax - Equipment Replacement*

This account is used for all revenue generated as a result of a tax levy for the purpose of purchasing replacement equipment.

*416 — Property Tax - Operations/Plant Fund/Early Retirement/Cash Reserve*

This account is used for all revenue produced as a result of the statutory 20 1/4 cent per \$1,000 of assessed valuation levy for operations (fund 1) and/or all revenue produced as a result of the 20 1/4 cent per \$1,000 plant fund levy (fund 7). Function 9 is used in the restricted fund to record the levy for early retirement (fund 2). Function 5, fund 2 is used for cash reserve.

*417 — Property Tax – Unemployment Compensation*

This account is used for all revenue generated as a result of a tax levy for the purpose of paying unemployment compensation premiums (fund 2).

*418 — Property Tax - Debt Service/Standby*

This account is used for all revenue produced as a result of a standby tax levy for the purpose of retiring bonds or certificates (fund 2, function 4). In the Debt Service Sub-Fund of the Plant Fund group, include only the amount necessary to apply on bonds or certificates and interest is due. Function 8 is used to record debt service in the plant fund group.

*419 — Property Tax - Tort Liability/Insurance*

This account is used for amounts levied from tax base for tort liability included in fund 2, function 9. It is also used in the restricted fund to record the levy for insurance costs fund 2, function 8.

State Support — 420-429

*421 — State General Aid*

This account is used for all revenue received as a direct state aid appropriation or allocations for fund 1 operations.

*425 — State Capital Outlay Appropriations*

This account is used for any revenue received in direct state appropriations for restricted use of capital outlay. State technology funds should be included here.

*426 — State Work study*

This account is used for any revenue received for Workstudy activities from the Iowa College Aid Commission.

#### *429 — Other State Support*

This account is used for any and all monies that cannot be directly allocated to any other state support account code 420-428.

#### Federal Support — 430-449

This account group is used to record receipts from the federal government, whether received directly or through the state defined as federal funds.

#### *431 — Title II - Library*

This account is used for federal funds allocated to assist in the acquisition of library books, periodicals, documents and other library materials.

#### *432 — Title III - Developing Community Colleges*

This account is used for federal funds allocated to assist developing community colleges in strengthening the functional operations of the community college and shall be recorded in restricted fund 2.

#### *433 — Title IV - SEOG*

This account is used for federal funds allocated as Supplement Educational Opportunity Grants made available to students and shall be recorded in a restricted use fund.

#### *434 — Title IV – Work Study*

This account includes federal funds allocated to the community college for participation in the Federal Workstudy program. It is recommended that 100% of the federal grant be receipted in a separate cost center within the agency fund (fund 4). A revenue debit is to be made from fund 4 to the general fund (fund 1) for expenses incurred in the on-campus Workstudy program. A revenue debit from fund 4 is also required to the scholarship fund (fund 5) for expenses incurred in the off-campus Workstudy program.

#### *435 — Title IV - Perkins Loans*

This account is used for federal funds allocated for participation in the Perkins Student Loan program and shall be recorded in fund 6.

#### *436 — Title IV - PELL*

This account is used for federal funds allocated as PELL Grants made available to students and shall be recorded in fund 5.

*437 — Title VI - Improvement of Instruction*

This account is used for federal funds allocated to the community college to aid in the acquisition of instructional equipment and shall be recorded in restricted fund 2.

*441 — Carl D. Perkins*

This account is used for federal funds allocated to the community college through the Iowa Department of Education for participation in the Carl D. Perkins projects or programs and shall be recorded in fund 1.

*443 — Workforce Investment Act*

This account is used for federal funds allocated to the community college in accordance with the Workforce Investment Act

*446 — Adult Basic Education*

This account is used for federal funds allocated in the community college through the Iowa Department of Education to aid in the enhancement of Adult Basic Education and shall be recorded in fund 1.

*449 — Other Federal Support*

This account is used for any and all federal support received by the community college that cannot be classified to any other federal support account 430-448.

Sales and Services — 450-469

This group of accounts is used to record receipts resulting from sales and services provided by the various sub-units of the community college.

*451 — Housing*

This account is to be used to record student housing fees received by the community college.

*452 — Vending Machines*

This account is used for all revenue received from vending machines and commissions earned on vending machines.

*453 — Rental of College Facilities*

This account is credited for the proceeds from renting community college buildings or equipment.

*454 — Other Sales and Services*

This account is credited for the proceeds from all sales and services not otherwise classified.

*455 — Bookstore Sales - Textbooks*

This account is credited for the sale of textbooks from the bookstore.

*456 — Bookstore Sales - Other Items*

This account is used for bookstore receipts from the sale of items other than textbooks.

*457 — Food Sales*

This account is used to record the revenue from food service operations regardless of whether food service is administered by the community college or on contractual basis.

*459 — Sales Return*

This account is debited when sales items are returned. The textbook buy-back or purchase of materials is to be expended within the unit providing the sales and not treated as a sales return item.

*460 — Gate Receipts (Subject to Sales Tax)*

This account is used to record the funds collected from the sale of tickets for basketball, football, baseball, softball, etc. These game receipts are subject to sales tax.

*461 — Receipts - Games of Chance (Subject to Sales Tax)*

This account is used for all funds collected from games of chance, such as bingo, raffles, etc.

## Other Income — 470-499

### *471 — Interest*

This account is used to record interest and dividends earned on investments by the college and on loans made to students.

### *472 — Gains and Losses on Sale of Investments*

This account is credited with the gain realized on the sale of investments and debited with the loss incurred on the sale of investments.

### *473 — Gifts and Grants*

This account is used to record gifts and grants to the community college from any source other than state or federal government. Gifts and grants will be included here regardless of the purpose for which they are intended.

### *477 — Assessment - Special Charges*

This account is used for special assessments for library books, parking tickets, etc. If assessments are assigned because of loss, for example of library books, the replacement value should be collected and credited to the appropriate expenditure account for library books.

### *480 — Proceeds from Sales of Bonds*

This account is used only in “Restricted General Fund” (fund 2) and in the “Plant Fund” (fund 7). It is credited with the net proceeds from the sale of bonds/certificates. It is closed at the end of the year by debiting this account and crediting account 311 “Fund Balance - Unrestricted”. The liability is recorded in the “Debt Service Sub-Fund” or in the “Restricted General Fund” for the gross amount of the bonds or certificates issued.

### *481 — Iowa New Jobs Training*

This account would be credited with the revenue identified as being from Iowa New Jobs Training.

### *482 — Repayment of Principal on Student Loans*

This account is used to record repayments of student loans. At fiscal end-year this account is debited and asset account 150 “Notes Receivable” is credited.

*483 — Loan Cancellation Reimbursement*

This account is used for the reimbursement for loans canceled. At fiscal year-end, this account is debited and the asset account 150 “Notes Receivable” is credited.

*484 — Additions to Assets*

This account is credited if there is an excess of trade-in allowance over the book value when disposing of assets.

*485 — Miscellaneous Receipts*

This account is to be used for any receipts that cannot otherwise be classified.

*486 — Proceeds from the Sale of Fixed Assets*

This account is used to record the proceeds from the sale of fixed assets such as land, equipment, and vehicles. It should be used only when an outright sale is made.

*487 — Incremental Tax Revenue*

This account would be credited with the revenue received from the incremental property tax generated to repay certificates issued under Chapter 260E Industrial New Jobs Training or 260F Jobs Training.

*488 — Withholding Tax Revenue*

This account would be credited with the withholding tax revenue received from employers to repay certificates issued under Chapter 260E Industrial New Jobs Training or Chapter 260F Jobs Training.

*489 — Proceeds from Loan*

This account is used to record income from the revenue of Chapter 260F Jobs Training.

*490 — Transfers*

This account is to be used to record transfers of money to one fund from another within the community college.

**CHAPTER XII**  
**EXPENDITURES, SALARIES,**  
**RELATED PAYROLL AND FRINGE BENEFITS**

A. Chart of Accounts

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	( _ _ _ )	( _ )	( _ _ )	(5XX)

Salaries, Related Payroll Cost and Fringe Benefits — 500-599

Administrative	510
Administrative - Part-time	511
Instructional	520
Instructional - Part-time	521
Professional Staff	530
Professional - Part-time	531
Secretarial and Clerical	540
Secretarial and Clerical - Part-time	541
Service Staff	550
Service Staff Part-time	551
*Student Wages - Federal Workstudy	570
*Student Wages - State Workstudy	571
Student Wages – Other	572
Related Insurance Cost and Fringe Benefits	590
Worker's Compensation Insurance	591
FICA - Employers Share	592
Retirement Plan, Employers Share	593
Compensation for Employee Tuition	594
Early Retirement	595
Auto Allowance	596
Unemployment Compensation	597
Comp. for Future Absences/Accrued Vacation	598

\* See Appendix B

B. Account Descriptions

The following brief account descriptions are provided as a guide. They are not intended to provide description for all the expenditure accounts, which may be used by an individual community college. Account titles and descriptions may be added to meet the community college's individual needs by using the unassigned account numbers in the appropriate object account code group classification. However, for state reporting purposes, all local object codes should be closed to those identified in this accounting manual at the end of the fiscal year.

## Salaries — 500-599

### *510 — Administrative*

This account is used to record salaries of the chief executive officer and the full-time cabinet/administrative team.

### *511 — Administrative - Part-time*

This account is used to record the salaries of the chief executive officer's part-time cabinet/administrative team.

### *520 — Instructional*

This account is used to record salaries of full-time personnel involved in direct instructional contact with students, including counselors and librarians. When there are split responsibilities between expenditure accounts 520 and 530, they will be prorated.

### *521 — Instructional - Part-time*

This account is used to record salaries of part time personnel involved in direct instructional contact with students including counselors and librarians. When responsibilities are split between expenditure accounts 521 and 531, they will be prorated.

### *530 — Professional Staff*

This account is to be charged with the salaries of the full-time staff not accounted for elsewhere.

### *531 — Professional Staff - Part-time*

This account is to be charged with the salaries of the part-time staff not accounted for elsewhere.

### *540 — Secretarial and Clerical*

This account includes salaries of all full-time personnel performing secretarial or clerical office functions.

### *541 — Secretarial and Clerical - Part-time*

This account includes salaries of all part-time personnel performing secretarial or clerical office functions.

*550 — Service Staff*

This account includes salaries of full-time custodians, maintenance and repair staff, machine operators, vehicle drivers, security guards, etc.

*551 — Service Staff - Part-time*

This account includes salaries of part time custodians, maintenance and repair staff, machine operators, vehicle drivers, security guards, etc.

*570 — Student Wages - Federal Workstudy*

This account record includes only wages for students who are employed through the federal government's Workstudy program.

*571 — Student Wages - State Work Study*

This account includes only wages for students who are employed through the state Workstudy program.

*572 — Student Wages - Other*

This account is to include wages for students not classified in expenditure object codes 570 and 571.

*590 — Related Insurance Cost and Fringe Benefits*

Include in this account:

- Term Life Insurance. When a community college pays a portion or the entire premium for its employees.
- Long Term Disability Insurance. When a community college pays a portion or the entire premium for its employees.
- Group Health and Hospital Insurance. When a community college pays a portion or the entire premium for its employees.

*591 — Worker's Compensation Insurance*

This account is used for the amount of charges for worker's compensation.

*592 — FICA (Employer's Share)*

This account is used for the employer's portion of FICA payroll deduction.

*593 — Retirement Plan (Employer's Share)*

This account is used to record the employer's portion of any retirement plan payroll deduction.

*594 — Compensation for Employee Tuition*

Waivers of tuition or other course fees based on faculty or staff status shall be reported in this account in the proper functional category.

*595 — Early Retirement*

This account is used to record salary payments for early retirement.

*596 — Auto Allowance*

This account is used if a fixed allowance is provided rather than mileage.

*597 — Unemployment Compensation*

This account should be charged for expenses for unemployment compensation paid to the Iowa Department of Workforce Development.

*598 — Compensation for Future Absences/Accrued Vacation*

This account is used for any unused vacation or sick leave, which can be carried over to the next year.

## CHAPTER XIII CURRENT EXPENSES

### A. Chart of Accounts

Fund	Function	Specific Unit	Site	Optional	Object
(_)	(_)	( _ _ _ )	( _ _ )	( _ _ _ )	(6XX)

#### Services — 600-629

Professional	601
Election Costs	602
Custodial	603
Membership	604
Publications (Legal)	605
Maintenance and Repair of Equipment	606
Maintenance and Repair of Buildings	609
Maintenance of Grounds	610
Information Services/Classified Advertising	611
Printing and Reproduction Services	612
Communications	615
Insurance	618
Utilities	619
Rental of Materials	620
Rental of Buildings	621
Rental of Equipment	622
Postage and Expediting Other Matter	623
Group Meeting/Workshop Expense	624
Data Processing Services	625
Other Services	626

#### Materials, Supplies and Travel — 630-648

Library Books	631
Materials, Supplies, and Non-Capitalized Capital Assets	632
Non-Capitalized Capital Asset (Optional account)	633
Periodicals	634
Building and Construction Materials and Supplies	637
Janitorial Materials and Supplies	641
Vehicle Materials and Supplies	642
Landscaping Materials and Supplies	644
Other Materials and Supplies	646
Travel Expense - Out-of-state	647
Travel Expense - In-State	648

## Other Current Expenses — 650-699

Purchase for Resale - Supplies & Miscellaneous	651
Purchase for Resale - Textbooks	652
Interest on Debt	670
Payment on Debt Principal	673
Scholarships	675
Student Loans	677
Collection Agency Expenses	678
Loan Cancellations	679
Transfers	680
Deductions from Assets	684
Depreciation	685
Property Tax	686
Employer Reimbursement	690
Student Services	691
Other Current Expenses	693
Bad Debts	694

### B. Account Descriptions

The following account descriptions are provided as a guide. They are not intended to provide description for all the expenditure accounts that may be used by an individual community college. Account titles and descriptions may be added to meet the community college's individual needs by using the unassigned account numbers in the appropriate object account code group classification. However, for state reporting purposes, all local object codes should be closed to those identified in this accounting manual at the end of the fiscal year.

## Services — 600-629

This group of accounts are used for fees paid for services performed by persons not included on the community college's payroll.

### *601 — Professional*

This account is used for professional fees to include legal fees, auditing fees, honoraria paid to speakers and lecturers, and any other payment of a professional nature.

### *602 — Election*

This account is used for election costs to include all expenses incurred in the conducting of regular and special elections.

*603 — Custodial*

This account is used to record the costs of outside contractual custodial services. It should not include maintenance and repair.

*604 — Membership*

This account is used to record payments of membership dues.

*605 — Publications (Legal)*

This account is used to record the cost of all legal publications.

*606 — Maintenance and Repair of Equipment*

This account is used to record the cost of equipment repairs and maintenance performed on equipment by outside contractors.

*609 — Maintenance and Repair Buildings*

This account is used to record the cost of all maintenance work on buildings performed by outside contractors.

*610 — Maintenance of Grounds*

This account is used to record the cost of all maintenance work on grounds performed by outside contractors.

*611 — Information Services/Classified Advertising*

This account should be charged with the cost of advertising and informational services to include classified advertising placed for the hiring of personnel.

*612 — Printing and Reproduction Service*

This account is used to record the purchase of printing, photocopying, blueprinting, and photography. Do not include the purchase of supplies or the purchase of printed forms. These items should be charged to expenditure account 632 “Materials and Supplies”.

*615 — Communications*

This account should be charged with the cost of local and long distance telephone service, telephone installation and relocation charges, and telegraph charges.

#### 618 — *Insurance*

This account is used for the cost of all insurance for community college protection. This includes fire and extended coverage, boiler, malpractice, errors and omissions and liability. Worker's compensation insurance is charged to expenditure account 591 "Worker's Compensation Insurance".

#### 619 — *Utilities*

This account is used for the cost of electricity, water, waste collection, fuel oil and gas for heating, heat, and air conditioning expenditures. Gas for use in the laboratories and shop for community college purposes should be charged to expenditure account 632 "Materials and Supplies". Telephone service is charged to expenditure account 615 "Communications".

#### 620 — *Rental of Materials*

This account should be charged with the cost of educational materials which are rented such as films, filmstrips, videos, etc.

#### 621 — *Rental of Buildings*

This account should be charged with the costs of renting or leasing of buildings.

#### 622 — *Rental of Equipment*

This account should be charged all costs for equipment rented to carry on any part of the community college's program. Lease purchase agreements should be handled in capital outlay series of object codes (700-790).

#### 623 — *Postage and Expediting Other Matter*

The cost of postage, postage meter rental, post office box rental, freight, express, delivery service and any other cost of transporting materials should be charged to this account.

#### 624 — *Group Meeting/Workshop Expense*

This account should be used to record the cost for materials and supplies paid to an outside contractor providing food, facilities and other services necessary to conduct college-sponsored meetings or workshops.

#### 625 — *Data Processing Services*

This account should be used to record the cost of data processing services necessary for instructional and administrative services which are performed by an outside contractor.

## 626 — *Other Services*

This account should be used to record contracts with employers/vendors for services contracted back to themselves under Chapter 260E Industrial New Jobs Training and Chapter 260F Jobs Training. This account is used to record other transactions not directly chargeable to any other services code.

## Materials, Supplies and Travel — 630-649

### 631 — *Library Books*

This account should be used to record all expenditures for Library Books. (Library books are not required to be capitalized, however, each college will need to determine if a listing should be maintained for inventory or insurance purposes).

### 632 — *Materials, Supplies, and Non-Capitalized Capital Assets*

This account should be used to record expendable items for instructional, library or office purposes. Some examples are: laboratory supplies, welding rods; small tools; audiovisual materials such as records, tapes, overlays, slides, etc.; stationary and general office supplies such as carbon paper, staples, paper clips, ribbons, file folders, calendars, printed forms and data processing supplies; photographic film and supplies; duplicating fluids and paper; binding items; and microcomputer software. This account should also be used to account for those non-tagged, non-capitalized assets as defined by the institution (under \$5,000 capitalization threshold).

### 633 — *Non-Capitalized Capital Assets (Optional)*

This account can be used to record non-capitalized capital assets that the college wishes to tag for fixed asset tracking purposes. If the college utilizes this option, they must adopt a dollar threshold which fixed assets will be tagged and not capitalized. This dollar threshold must be reported to the Department of Education.

### 634 — *Periodicals*

This account should be used to record the expenditures for subscriptions to magazines, periodicals and newspapers.

### 637 — *Buildings and Construction Materials*

This account is used to record expenditures for all materials and supplies used by personnel of the community college for construction or repair of buildings and equipment. Items would include: lumber and wood products, nails, paint, floor coverings, electrical materials and supplies, plumbing materials and supplies, masonry products, asphalt and gravel, etc.

*641 — Janitorial Materials and Supplies*

This account is used to record consumable supplies used by the custodial or maintenance staff. Items include mops, brooms, pails, cleaning materials, paper products, wax, wax stripper, and other chemicals.

*642 — Vehicle Materials and Supplies*

This account should be used for repairs and maintenance of “rolling” equipment such as; gasoline, oil, grease, tires, batteries, and seat covers, etc. Institutional owned or leased vehicles which are used by other than the physical plant function may be charged back to the users cost center as an expense to this account. The same account in the physical plant function should then be credited for the amount charged the user.

*644 — Landscaping Materials and Supplies*

This account is used to record expenditures for landscape materials, which include seeds, plants, shrubbery, fertilizer, and similar items.

*646 — Other Materials and Supplies*

This account should be used to record the expenditures for materials or supplies that cannot be logically classified in any of the other materials and supplies account codes 630-644.

*647 — Travel Expenses - Out-of-State*

This account includes the expenditures related to travel outside the state of Iowa. Expenditures include transportation fare, rental car charges, mileage, per diem payments, meals, registration fees, parking fees, etc., for official college personnel authorized to travel at the community college's expense.

*648 — Travel Expenses - In-State*

This account includes expenditures related to travel of official college personnel within the state of Iowa to include items defined in expenditure account 647 “Travel Expenses Out-of-State”.

Other Current Expenses — 650-699

*651 — Purchase for Resale - Supplies and Miscellaneous*

Any supplies and miscellaneous items other than books, which are purchased for resale to individuals, organizations, or other organizational units of the community college, will be charged to this account. Normally this account will be used by auxiliary enterprises.

*652 — Purchases for Resale - Textbooks*

This account is used for the purchase of books for resale. As in the case of expenditure account 651 “Purchase for Resale-Supplies and Miscellaneous”, this account is normally used by auxiliary enterprises.

*670 — Interest on Debt*

This account should record only interest paid on indebtedness. All other costs of retiring debt, such as agent fees and discounts on certificates should be properly classified accordingly.

*673 — Payment on Debt Principal*

This account is used to record all payments made to retire the principal portion of community college debt. This account is generally restricted to the Restricted General Fund and the Debt Service Sub-Fund.

*675 — Scholarships*

This account records all scholarship payments to students. Do not include payments to students for loans or for services rendered.

*677 — Student Loans*

This account records the amount of loans made to students during the current fiscal year. At the end of the fiscal year, this account should be closed out to the asset account 150 “Notes Receivable - Student Loans”.

*678 — Collection Agency Expenses*

This account records payments made to collection agencies.

*679 — Loan Cancellation*

This account records loans cancelled. This account should be closed out at the end of the fiscal year to asset account 150 “Notes Receivable.”

*680 — Transfers*

This account records only expenditure transfers from one fund to another within the community college.

*684 — Deductions from Assets*

This account is debited when disposing of assets where there is an excess of book value over the trade in allowance.

685 — *Depreciation*

This account is used to record the depreciation expense on all assets capitalized.

686 — *Property Tax*

This account is used when property tax is assessed to a nonexempt building or land holdings of the community college. This account is to be used in the event an assessment for street, sewer, water, etc., is placed on nonexempt land holdings of the community college.

690 — *Employer Reimbursement*

This account is to record all costs paid to employers in excess of the amount entered under Workstudy.

691 — *Student Services*

This account is used to record the expenditure of federal, state and local funds for payment of unusual expenses incurred by students as a result of their enrollment in an exemplary and/or cooperative vocational education program.

693 — *Other Current Expenses*

This account should be used for any other current expenses that cannot be logically classified under any other current expense account.

694 — *Bad Debts*

This account is used to record all uncollectible tuition, fees and other bad debts.

## CHAPTER XIV CAPITAL OUTLAY

### A. Chart of Accounts

Fund	Function	Specific Unit	Site	Optional	Object
( )	( )	( _ _ _ )	( _ )	( _ _ )	(7XX)

### Capital Outlay — 700-790

Capitalized Capital Assets	710
Equipment Replacement-Equipment Tax Levy	711
Lease Purchase Equipment	712
Construction and Maintenance Equipment	730
Vehicles	740
Capitalized Software Purchased/Developed	750
Buildings and Fixed Equipment	760
Land	770
Other Structures and Improvements	780
Other Capital Outlay	790

### B. Account Descriptions

The following account descriptions are provided as a guide. They are not intended to provide description for all the expenditure accounts that may be used by an individual community college. Account titles and descriptions may be added to meet the community college's individual needs by using the unassigned account numbers in the appropriate object account code group classification. However, for state reporting purposes, all local object codes should be closed to those identified in this accounting manual at the end of the fiscal year.

### Capital Outlay — 700-790

#### *710 — Capitalized Capital Assets*

This account includes all capital outlay items used in the instructional process, classroom, laboratories, auditoriums, shops, etc, which are above the \$5,000 capitalization threshold, not purchased with state equipment replacement funds or local property tax levy. This account includes all capital outlay items used in the instructional process, classroom, laboratories, auditoriums, shops and general community college operations, etc., which are above the \$5,000 capitalization threshold, not purchased with state equipment replacement funds or local property tax levy.

*711 — Equipment Replacement - Equipment Tax Levy*

This account is used if a community college chooses to specifically identify the equipment purchased with the local equipment levy monies, it is recommended that this object code be used in Restricted Current General Fund (Fund 2).

*712 — Lease Purchase Equipment*

This account records equipment purchased using lease purchase agreements.

*730 — Construction and Maintenance Equipment*

This account records purchases of equipment which are to be used by maintenance, custodial, and ground personnel in the performance of their duties. Examples are: electric saws used by carpenters, spray guns and compressors used by painters, lawn mowers and tractors used by grounds personnel, etc.

*740 — Vehicles*

This account records the purchase of all vehicles and motorized equipment that are designed to transport persons or things. Include automobiles, buses, trucks, airplanes, boats, motorcycles, etc.

*750 — Capitalized Software Purchased/Developed*

This account records the purchase or development of software to be capitalized.

*760 — Buildings and Fixed Equipment*

This account records all expenditures of acquiring buildings. Architect fees, drawings, blueprints, postage, long distance telephone charges, construction contracts and other costs incurred in the construction of buildings should be charged here.

Major repairs or renovations of buildings are properly charged to this account. The installation of any equipment which is permanently attached to a building such as an elevator or a central air conditioning system is charged to this account. Window air conditioners and water coolers would not be included here.

*770 — Land*

This account records only the original cost of land plus acquisition costs. Do not charge site development costs which should be charged to the expenditure account 780 "Other Structures and Improvements."

*780 — Other Structures and Improvements*

This account records the cost of site development, parking lots, sidewalks, outdoor lighting systems, utility systems, flagpoles, fences and other improvements on the outside of buildings.

*790 — Other Capital Outlay*

This account records any capital outlay expenditure that cannot logically be classified in any other capital outlay account codes 710-790.